

Remarks by Mr. Thomas Stelzer, Assistant-Secretary-General for Policy Coordination and Inter-Agency Affairs, United Nations Department of Economic and Social Affairs

Special Policy Dialogue in preparation for the 2014 Development Cooperation Forum

“The role of philanthropic organizations in the post-2015 setting”

New York, 23 April 2013

Distinguished colleagues,

Ladies and gentlemen,

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Let me start with a few words about ECOSOC’s Development Cooperation Forum. As a multi-stakeholder forum, the DCF allows the broad range of development actors to engage in an open and inclusive exchange. The aim is to enhance the effectiveness and coherence of international development cooperation.

As a UN-led process, supported by the Department of Economic and Social Affairs, the DCF bases its deliberations on the independent review of global trends in development cooperation.

The changed landscape of actors in international development cooperation is one of these trends. Philanthropic organizations are an increasingly important player in this context.

Today, foundations complement Official Development Assistance – not just in financial terms but also in the form of advocacy, awareness raising and technical cooperation

In 2009, the financial contribution of foundations of the global North has been estimated at between US\$ 7 – 9.5 billion. Contributions from Southern philanthropic organizations are increasing significantly.

Being able to act independently from official government channels, foundations have sometimes been able to respond quickly to emergencies and urgent demand and to deliver assistance where needs are greatest.

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With their willingness to take on risks and experiment with new and innovative approaches, foundations have also forayed into new fields, such as ‘venture philanthropy’, ‘impact investments’ and ‘crowd-funding’.

Philanthropic organizations have helped to mainstream such newly established yet proven practices and are eager to promote their scaling up, with the help of other providers.

The flexibility and ad hoc nature of practices can, however, also carry certain disadvantages. Using parallel systems of implementation and reporting can increase fragmentation and transaction costs.

As for all development partners, it is crucial to ensure that philanthropic organizations’ activities align with national development priorities.

With such a large array of actors, ensuring coherence becomes equally crucial. Coordination among the different actors helps to generate higher impact and to scale up projects. Greater coordination and coherence also helps developing countries to reduce transaction costs.

Another challenge is the lack of reliable and evidence-based data and publicly available information on the volume, type and quality philanthropic organizations provide. This makes it difficult to fully assess the development impact of foundations’ work. Greater transparency can also help foundations to better evaluate their development impact.

Today’s dialogue provides an opportunity to engage in an open discussion on how to jointly strengthen this work.

It is also very timely, given the ongoing discussions on a global post-2015 development agenda, and the renewed global partnership for development that should underpin it.

Many of you are already engaged in multi-stakeholder partnerships, some jointly led by the United Nations.

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We must step up efforts to promote the transformational change needed to put an end to extreme poverty and to promote sustainable development. Therefore, we need to assess how such a renewed global partnership for development could effectively engage philanthropic organizations.

There has been a lot of emphasis on an agenda that is open and inclusive, to foster ownership and momentum and ensure a holistic agenda. I thus hope that many of you will also actively engage in the ongoing deliberations on the agenda and later support its implementation.

Thank you for your attention and for your engagement here today. I look forward to your views and suggestions.
